

1 TO THE HONORABLE SENATE:

2 The Committee on Health and Welfare to which was referred House Bill No.  
3 401 entitled “An act relating to exemptions for food manufacturing  
4 establishments” respectfully reports that it has considered the same and  
5 recommends that the Senate propose to the House that the bill be amended by  
6 striking out all after the enacting clause and inserting in lieu thereof the  
7 following:

8 Sec. 1. LEGISLATIVE INTENT

9 It is the intent of the General Assembly that:

10 (1) Vermont enhance its food resiliency through increased supply and  
11 distribution of locally produced food products;

12 (2) Vermonters have more access to the local food marketplace as both  
13 producers and consumers;

14 (3) local food producers are able to meet the demand for Vermont-made  
15 food products from visitors to the State;

16 (4) small-scale food producers, new business start-ups, and sole  
17 proprietors benefit from raising the limit of the existing licensing exemption  
18 for at-home bakery products to adjust for inflationary cost changes occurring  
19 since the initial statutory enactment; and



- 1           (G) cereal;
- 2           (H) mixed nuts;
- 3           (I) flavored vinegar;
- 4           (J) popcorn;
- 5           (K) coffee beans;
- 6           (L) dry tea;
- 7           (M) home-canned pickles, vegetables, or fruits having an equilibrium  
8           pH value of 4.6 or lower or a water activity value of 0.85 or less that are made  
9           using recipes:
- 10           (i) approved by the National Center for Home Food Preservation;  
11           or
- 12           (ii) reviewed by a food processing authority for safety; and
- 13           (N) any other good defined by the Commissioner in rule or policy.
- 14           (7) “Department” means the Department of Health.
- 15           ~~(5)~~(8) “Establishment” means food manufacturing establishments, food  
16           service establishments, lodging establishments, children’s camps, seafood  
17           vending facilities, and shellfish reshippers and repackers.
- 18           ~~(6)~~(9) “Food” means articles of food, drink, confectionery, or condiment  
19           for human consumption, whether simple, mixed, or compound, and all  
20           substances and ingredients used in the preparation thereof.

1           ~~(7)~~(10) “Food manufacturing establishment” or “food processor” means  
2           all buildings, rooms, basements, cellars, lofts, or other premises or part thereof  
3           used, occupied, or maintained for the purpose of manufacturing, preparing,  
4           packing, canning, bottling, keeping, storing, handling, serving, or distributing  
5           food for sale. A food manufacturing establishment ~~shall include~~ includes food  
6           processors, bakeries, cottage food operations, distributors, and warehouses. A  
7           food manufacturing establishment ~~shall~~ does not include a place where only  
8           maple syrup or maple products, as defined in 6 V.S.A. § 481, are prepared for  
9           human consumption.

10           ~~(8)~~(11) “Food service establishment” means entities that prepare, serve,  
11           and sell food to the public, including restaurants, temporary food vendors,  
12           caterers, mobile food units, and limited operations as defined in rule.

13           ~~(9)~~(12) “Lodging establishment” means a place where overnight  
14           accommodations are regularly provided to the transient, traveling, or  
15           vacationing public, including hotels, motels, inns, and bed and breakfasts.

16           “Lodging establishment” ~~shall~~ does not include short-term rentals.

17           ~~(10)~~(13) “Salvage food” means any food product from which the label  
18           on the packaging has been lost or destroyed or that has been subjected to  
19           possible damage as the result of an accident, fire, flood, or other cause that  
20           prevents the product from meeting the specifications of the manufacturer or the  
21           packer but is otherwise suitable for human consumption.



\* \* \*

(7) There shall be training requirements for food manufacturing establishment operators and employees to ensure cleanliness, sanitation, and healthfulness.

(8) The Commissioner may adopt any other minimum conditions deemed necessary for the operation and maintenance of a food or lodging establishment in a safe and sanitary manner.

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Sec. 4. 18 V.S.A. § 4353 is amended to read:

§ 4353. FEES

(a) The Commissioner may establish by rule any requirement the Department needs to determine the applicable categories or exemptions for licenses. The following license fees shall be paid annually to the Department at the time of making the application according to the following schedules:

\* \* \*

(3) Food manufacturing establishment — a fee for any person or persons that process food for resale to restaurants, stores, or individuals according to the following schedule:

(A) Food manufacturing establishments; nonbakeries

I — Gross receipts of \$10,001.00 to \$50,000.00; \$175.00

II — Gross receipts of over \$50,000.00; \$275.00

III — Gross receipts of \$10,000.00 or less are exempt pursuant to section 4358 of this title

I — Home bakery;	\$100.00
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III — Large commercial;	\$350.00
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Gross receipts of \$30,000.00 or less from the sale of cottage food products are exempt pursuant to section 4358 of this title.

Sec. 5. 18 V.S.A. § 4358 is amended to read:

\* \* \*

licensure fees in this subchapter shall not apply to ~~an individual manufacturing and selling bakery products from his or her own home kitchen whose a cottage~~ food operation or other food manufacturing establishment that is exempt due to ~~its average gross retail sales do not exceed \$125.00 per week being below the~~ listed thresholds in section 4353 of this title.

~~exemption pursuant to this title shall provide documentation submit to the~~

1     Department a licensing exemption filing as required by rule. The licensing  
2     exemption filing shall require the food manufacturing establishment to attest to  
3     the completion of any training required by rule pursuant to section 4303 of this  
4     title.

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6     Sec. 6. RULEMAKING

7         Pending the adoption of permanent rules pursuant to 3 V.S.A. chapter 25 to  
8     implement the provisions of this act, the Commissioner of Health shall adopt  
9     emergency rules pursuant to 3 V.S.A. § 844, which shall be deemed to meet  
10    the emergency rulemaking standard in 3 V.S.A. § 844(a).

11    Sec. 7. EFFECTIVE DATE

12         This act shall take effect on July 1, 2025.



1 (Committee vote: \_\_\_\_\_)

2 \_\_\_\_\_

3 Senator \_\_\_\_\_

4 FOR THE COMMITTEE